

The North Carolina Economic Development Board

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FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Overview

- Creation of the Board
- Governing Statutes
- Membership
- Funding & Staffing
- Strategic Plan

Creation of the Board - GPAC

Government Performance Audit Committee (GPAC)
1991: General Assembly authorized study which was completed by KPMG Peat Marwick in 1992.

- Statewide Recommendations:
 - In order to assist the Governor & General Assembly with budgetary decisions, the State needed to implement strategic planning, results-based budgeting, and capital budgeting.
- Economic Development Recommendations:
 - Require a statewide plan for economic development.
 - Establish an Economic Development Board.
 - Establish a planning unit within Commerce.

Governing Statute - G.S. 143B-434

(1) Provide economic and community development planning for the State.

G.S. 143B-434

(2) Make policy recommendations to Secretary of Commerce, General Assembly, & Governor:

- Use of tax abatements & other incentives to motivate economic development.
- Definition of which specific economic development activities should be considered for State appropriations.
- Role of institutions of higher education.
- Use of State funds to leverage private nonprofit economic development initiatives.
- Linkage of workforce preparedness activities & economic development planning.

G.S. 143B-434

(3) Recommend annually to the Governor biennial and annual appropriations for economic development programs.

G.S. 143B-434

(4) Develop and update annually a comprehensive strategic plan (G.S. 143B-434.1).

Membership

- 38 members:
 - 4 each from House & Senate
 - 3 ex officios: Secretaries of Commerce, Revenue, & Cultural Resources
 - Presidents of UNC & Community College System, Secretary of State, & President of the Senate (or designees)
 - Remaining 23 members appointed by Governor – represent nonprofits, economic development organizations, and private industry
- Required to meet at least quarterly
- Members asked to attend at least 50% of all Board & committee meetings

Funding & Staffing

- No General Fund appropriation for the Board
- Sole expense is reimbursement for members
FY 2010-11: \$2,805
- 1.25 FTEs in Commerce dedicated to support activities of the Board

Economic Development Strategic Plan

- Completed by April 1 of each year.
- Original plan covered a four-year period; subsequent annual updates extend the time frame by one year so that a four-year plan is always in effect.
- Provided to the Governor and the Joint Legislative Commission on Governmental Operations.